

# SUMMARY ANALYSIS OF AMENDED BILL

## Franchise Tax Board

Author: Kelley Analyst: Roger Lackey Bill Number: SB 284

Related Bills: See Prior Analysis Telephone: 845-3627 Amended Date: 09-03-99

Attorney: Patrick Kusiak Sponsor:

**SUBJECT:** Secretary Of State

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended \_\_\_\_\_.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended \_\_\_\_\_.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO \_\_\_\_\_.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED July 15, 1999 STILL APPLIES.

OTHER - See comments below.

### SUMMARY OF BILL

This bill would provide that upon a corporate merger, the surviving domestic corporation would assume the liability of the disappearing corporation and file the required tax and information returns. In addition, this bill would require under certain circumstances that the Secretary of State (SOS) file the merger without a certificate of satisfaction from the Franchise Tax Board (FTB).

Also, this bill would provide that a registered foreign limited liability partnership that ceases to be such an entity must file a tax clearance certificate received from the FTB with the notice filed with the SOS that it is no longer a limited liability partnership.

This bill would make several miscellaneous amendments to various California codes, which would not impact the department.

### SUMMARY OF AMENDMENT

The September 3, 1999, amendment revised the amount of money that may remain in the Business Fee Fund used by the SOS, and made technical changes to what is proposed to be known as the Astaire Celebrity Image Protection Act. These changes would not impact the department.

The August 16, 1999, amendment would eliminate a reference in the Corporations Code to Revenue and Taxation Code Section 23305a which provides that the FTB receive a certificate of revivor endorsement from the SOS, before the FTB issues the certificate of revivor to the suspended corporation. This amendment to the Corporations Code would apply only to suspensions made by the SOS, and would still require the SOS to certify to the FTB the fact of the corporation's suspension. However, the amendment would eliminate the requirement that the FTB issue a certificate of revivor in the circumstances of a SOS suspension.

#### Board Position:

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<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input checked="" type="checkbox"/> N	<input type="checkbox"/> OUA	<input type="checkbox"/> PENDING

Legislative Director

Date

**Geoff Way for J. Rosas 9/15/1999**

The amendment also added language double-joining this bill to SB 209 and SB 408, and made a few technical changes to other California codes, which do not impact the department.

Except for the discussion above, the department's analysis of SB 284 as amended July 15, 1999, still applies.

BOARD POSITION

Neutral.

At its July 6, 1999, meeting, the Franchise Tax Board voted 2-0 to take a neutral position on this bill.